

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.

20006-2973

(202) 393-2266
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RECORDATION NO. 20646 FILED

APR 17 '97

1-45 PM

OF COUNSEL
URBAN A. LESTER

20646 A, B, C, D, E,

April 17, 1997

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of Lease Schedule No. 001, dated March 21, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents and two (2) copies of the following additional documents secondary thereto: Lease Schedules No. 002 and No. 003 and three Asset Purchase, Assignment and Assumption Agreements, all dated as of March 21, 1997.

The names and addresses of the parties to the enclosed documents are:

Lease Schedules No. 001, 002 and 003

Lessor: The Vaughn Group, Ltd.
8250 Beckett Park Drive
Hamilton, Ohio 45001

Lessee: The Andersons, Inc.
480 West Dussell Drive
Maumee, Ohio 43537

Alvord and Alvord - 12/10/97

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SURFACE TRANSPORTATION
BOARD
APR 11 1 40 PM '97

Mr. Vernon A. Williams
April 17, 1997
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Asset Purchase, Assignment and Assumption Agreements

Assignor: The Vaughn Group, Ltd.
8250 Beckett Park Drive
Hamilton, Ohio 45001

Assignee: Star Bank, National Association
425 Walnut Street
Cincinnati, Ohio 45202

A description of the railroad equipment covered by the enclosed documents is:

Schedule No. 001: Twenty-four (24) covered hopper railcars bearing AEX reporting marks and road numbers set forth on Exhibit A attached thereto.

Schedule No. 002: Fifteen (15) hopper railcars bearing AEX reporting marks and road numbers set forth on Exhibit A attached thereto.

Schedule No. 003: One (1) GP-9 locomotive GTW 4704

Also enclosed is a check in the amount of \$144.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of each of the enclosed documents to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/bg
Enclosures

**CERTIFIED
COPY**

THE VAUGHN GROUP, LTD.

LEASE SCHEDULE NO. 003

Counterpart No. 1 of three (3) manually executed counterparts. Only the manually executed counterpart numbered "1" is sufficient to transfer Lessor's interest or to grant a security interest herein.

TO MASTER LEASE AGREEMENT NO. 114 DATED MARCH 13, 1997 ("LEASE") BETWEEN THE VAUGHN GROUP, LTD. ("LESSOR") LOCATED AT 8250 BECKETT PARK DRIVE, SUITE C, HAMILTON, OHIO 45011 AND THE ANDERSONS, INC. ("LESSEE")

1. **EQUIPMENT:** One (1) used and reconditioned 1960 EMD locomotive model GR18-A as further described in Exhibit A attached hereto.

2. **EQUIPMENT COST:** [REDACTED]

3. **EQUIPMENT LOCATION:** 480 W. Dussel Drive
Maumee, OH 43537
Lucas County

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4. **INSTALLATION DATE:** April 1, 1997

5. **BASE TERM COMMENCEMENT DATE:** April 1, 1997

6. **BASE TERM:** 84 months

7. **MONTHLY RENTAL:** [REDACTED]

8. **MACRS DEPRECIATION:** Under Section 12 of the Lease, the applicable 'recovery period' for the Equipment shall be seven (7) years.

9. **RETURN PROVISIONS IN THE EVENT OF DEFAULT:** If this Lease Schedule shall terminate pursuant to Section 9 of the Lease, the Lessee shall forthwith deliver possession of the Equipment to Lessor. Each unit of Equipment so delivered shall be in the same operating order, repair and condition as when originally delivered to the Lessee, ordinary wear and tear excepted, shall meet all standards of all Applicable Guidelines, as hereinafter defined, then in effect, and shall have attached or affixed thereto any special device considered an accession thereto as provided in Section 5(d) of the Lease and shall have removed therefrom at the Lessee's expense any addition, modification or improvement which, as provided in Section 13 hereof, is owned by Lessee or if Lessee elects not to remove the same and Lessor consents thereto, the same will remain affixed to such unit of Equipment and title thereto will immediately vest in Lessor. For the purpose of delivering the possession of any unit(s) of Equipment as above required, the Lessee shall at its own cost, expense and risk:

(a) forthwith and in the usual manner (including without limitation giving prompt telegraphic and written notice to the Association of American Railroads and all railroads to which any unit(s) of Equipment have been interchanged or which may have possession thereof to return the unit(s) of Equipment) and place such unit(s) of Equipment upon such storage tracks as Lessor may reasonably designate within 500 miles of Maumee, Ohio;

(b) cause such Equipment to be stored on such tracks for a maximum period of 120 days at the risk of the Lessee without charge for insurance, rent or storage until all such Equipment has been sold, leased or otherwise disposed of by Lessor; and

(c) cause the same to be transported to any reasonable place as directed by Lessor within 500 miles of Maumee, Ohio.

The assembling, delivery, storage, insuring and transporting of the Equipment as hereinbefore provided shall be at the expense and risk of the Lessee and are of the essence of this Lease, and upon application to any court of equity having competent jurisdiction Lessor shall be entitled to decree against the Lessee requiring specific performance thereof. During any storage period, the Lessee will, at its own cost and expense, insure, maintain and keep the Equipment in good order and repair and will permit Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser, lessee or user of any unit of Equipment, to inspect the same. All net earnings earned in respect of the Equipment after the date of termination of this Lease shall belong to Lessor and, if received by the lessee, shall be promptly turned over to Lessor. In the event any unit of Equipment is not assembled, delivered and stored as hereinabove provided within 30 days after such termination, the Lessee shall in addition pay to Lessor for each day thereafter an amount equal to the amount, if any, by which the percentage of the Equipment Cost of such unit of Equipment for each such day (such percentage is obtained by dividing the Monthly Rental payment as set forth in Section 7 hereof for each monthly payment for such unit of Equipment by thirty (30) exceeds the actual earnings received by Lessor on such unit of Equipment for each such day. Such payment shall not offset the obligation of the Lessee to redeliver the Equipment pursuant to the first sentence of this Section. For purposes of this Section 9, net earnings for each unit of Equipment shall be determined by aggregating all income including rentals and mileage per diem charges which the Lessee may have received or be entitled to receive in respect of such unit of Equipment and subtracting therefrom the Lessee's operating expenses including freight, interchange, running repairs and other similar charges in respect of such unit of Equipment. In no event shall net earnings include any sums that may be earned by the Lessee on the commodity, if any, being transported in such unit of Equipment.

10. END OF LEASE OPTIONS: The undersigned parties agree that Lessee shall, at the end of the Base Term of the Lease, or any extension or renewal of the Lease, have the option to do any one of the following:

(a) Option to Extend or Purchase. Provided that Lessee is not then in default under the Lease, nor, but for the passage of time or giving of notice or both, would be in default thereunder, Lessee may, by giving Lessor at least 240 days prior to expiration of the Base Term of the lease or any extension or renewal thereof irrevocable written notice of its intention to do so:

(i) Purchase all, but not less than all, of the Equipment for [REDACTED]. Upon receipt of payment in full, in immediately available funds, Lessor will deliver appropriate documents to Lessee vesting in Lessee title to the Equipment, unencumbered as to liens arising by or through Lessor, provided all amounts due under the Lease have been paid. Lessee will take the Equipment "as is" "where is" without representation or recourse; or

(ii) In lieu of purchasing the Equipment, renew the lease of all, but not less than all, of the Equipment for a minimum period of twelve (12) months (the "Extension Period") at the then fair market rental value for such period.

(b) Return of Equipment. In lieu of either option in (a) above and upon at least 240 days prior written and irrevocable notice of its intention to do so, and subject to the provisions of the Lease and Addendum hereto Return of Units, return all, but not less than all, of the Equipment to Lessor.

(c) Automatic Renewal. Should Lessee fail to timely exercise any of its other rights pursuant to Section 10 hereof, then Lessee may permit the Lease to automatically renew for the term or terms set forth in Section 3 of the Lease in conformity with the applicable provisions of the Lease.

11. IDENTIFICATION MARKS: Lessee shall keep and maintain, plainly and conspicuously marked on each side of each unit of Equipment, in letters not less than one inch in height, the words "OWNERSHIP SUBJECT TO A LEASE FILED WITH THE SURFACE TRANSPORTATION BOARD", or other appropriate words designated by Lessor, with appropriate changes thereof and additions thereto as from time to time may be required by law to protect Lessor's title to such unit of Equipment. Lessee will not place any such unit of Equipment in operation or exercise any control or dominion over the same until such words shall have been so marked on each side thereof and will replace promptly any such words which may be removed, defaced, obliterated or destroyed. Lessee will not change the identification number of any unit of Equipment unless and until: (i) a statement of new number or numbers to be substituted therefor shall have been filed with Lessor and filed by Lessee in all public offices where this Lease shall have been filed; and (ii) Lessee shall have furnished to Lessor an opinion of counsel in form and substance satisfactory to Lessor to the effect that such statement so filed, such filing will protect Lessor's interests in such units of Equipment and no filing with or giving of notice to any other Federal, state or local government or agency thereof is necessary to protect the interests of Lessor in such units of Equipment. The units of Equipment may be lettered with the name or initials or other insignia customarily used by Lessee or its permitted sublessees, but the Lessee will not allow the name of any other person, association or corporation to be placed on any unit of Equipment as a designation that might be interpreted as a claim of ownership. Lessee shall, on Lessor's request made before the end of the Lease term and at Lessee's cost and expense, remove or pay for the removal of such reporting marks on return of the units of Equipment to Lessor. Lessee will not otherwise add, remove or alter reporting marks or identification of Lessor on the units of Equipment except as requested by Lessor.

12. LAWS AND RULES: Lessee agrees, for the benefit of Lessor, to comply in all respects (including without limitation the use, maintenance and operation of each unit of Equipment) with all laws of the jurisdictions in which operations involving the units of Equipment may extend, with the interchange rules of the Association of American Railroads ("AAR") and with all lawful rules of the United States Department of Transportation, the Surface Transportation Board and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the units of Equipment, to the extent that such laws and rules affect the title, operation or use of the units of Equipment by Lessee or any sublessee (all such laws and rules to such extent called "Applicable Guidelines"), and in the event that the Applicable Guidelines require any alteration, replacement or addition of or to any part on any unit of Equipment, Lessee will conform therewith at its own expense; provided, however, that the Lessee may at its own expense, in good faith, contest the validity or application of any Applicable Guidelines in any reasonable manner which does not, in the opinion of Lessor, materially and adversely affect the property or the rights of Lessor under this Lease.

Lessee: (i) agrees to comply with all governmental laws, rules, regulations and requirements, and with the Interchange Rules of the AAR with respect to the use of the operation of each unit of Equipment during the term of this Lease; (ii) further, warrant that during the term of this Lease, the units of Equipment will only be used to transport ferrous and non-ferrous scrap metal of a non-hazardous nature; (iii) agree that no unit of Equipment shall be loaded in excess of the load limit stenciled thereon; (iv) agree that no unit of Equipment shall be loaded with or used to transport any hazardous material as hazardous materials are defined in any federal, state or local environmental law or regulation including but not limited to OSHA's Hazard Communication Standard 29 CFR 1910.1200, EPA's Resource Conservation and Recovery Act Standards 40 CFR 260-263 and the Clean Water Act 40 CFR 116-117; and (v) further agree that, no unit of Equipment shall be used in violation of any federal, state or local environmental law or regulation. If the use of any unit of Equipment violates any of the foregoing provisions, Lessee agrees that it shall indemnify and hold Lessor harmless, jointly and severally, from all claims, liabilities, losses, damages, costs and expenses (including attorney's fees and expenses of litigation) arising out of such use of any unit of Equipment.

Lessee agrees to prepare and deliver to Lessor within a reasonable time prior to the required date of filing (or, to the extent possible, file on its behalf) any and all reports (other than income tax returns) to be filed by Lessor with any Federal, state or other regulatory authority by reason of the ownership by Lessor of the units of Equipment or the leasing thereof to Lessee.

13. MAINTENANCE: Lessee, at its own cost and expense, will maintain and keep each unit of Equipment (including and parts installed on or replacements made to any unit of Equipment and considered an accession thereto as hereinbelow provided) which is subject to this Lease in good operating order, repair and condition, ordinary wear and tear excepted and in serviceable condition for commercial use and meeting standards prescribed by the interchange rules and eligible for railroad interchange in accordance with the Applicable Guidelines and in the same condition as other similar equipment owned or leased by Lessee.

Any and all parts installed on and additions and replacements made to any unit of Equipment: (i) which are not readily removable without causing material damage to such unit of Equipment, whether or not installed or added to such unit of Equipment in contravention of Section 5 of the Lease and Sections 11 and 13 of this Lease Schedule; (ii) the cost of which is included in the original Equipment Cost of such unit of Equipment to Lessor; (iii) in the course of ordinary maintenance of the units of Equipment; or (iv) which are required for the operation or use of such unit of Equipment in railroad interchange by the Applicable Guidelines, shall constitute accession to such unit of Equipment and full ownership thereof free from any lien, charge, security interest or encumbrance (except for those created by this Lease) shall immediately be vested in Lessor.

For purposes of this Lease Schedule only, the entire Sections 5(a), 5(b) and 5(g) and the last sentence of Section 5(h) of the Lease shall be deleted.

14. FILING: Lessor, at Lessee's expense, shall cause this Lease and any and all documents related thereto needing to be so filed, to be filed with the Surface Transportation Board pursuant to 49 U.S.C. Section 11303 and register the units of Equipment with the AAR, prior to the delivery and acceptance of any unit of Equipment hereunder.

15. CASUALTY SCHEDULE: Attached hereto as Exhibit B is a Casualty Schedule pursuant to Section 8 of the Lease.

16. STIPULATED LOSS VALUE IN THE EVENT OF DEFAULT: Attached hereto as Exhibit C is a Schedule of Stipulated Loss Values in the Event of Default pursuant to Section 9 of the Lease.

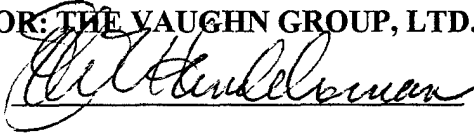
17. INTERIM FUNDING: Lessor shall provide funding of the Lease prior to commencement. Interest shall accrue from (and including) the date of any payment made by Lessor, to (but excluding) the Base Term Commencement Date at a per annum rate equal to 30-day LIBOR (London Interbank Offered Rate) plus 150 basis points. Such interim interest shall be due no later than the Base Term Commencement Date.

18. LESSOR'S OBLIGATION: Lessor's obligations under this Lease Schedule are subject to: (a) there being no tax legislation enacted prior to the Base Term Commencement Date which would have an adverse effect on the rights or anticipated benefits to Lessor or any assignee of Lessor; and (b) there being no material adverse change, in Lessor's sole discretion, in Lessee's financial condition at any time prior to the Base Term Commencement Date.

19. MASTER LEASE AGREEMENT: All of the terms, covenants and conditions set forth in the Lease, and in any addenda to this Lease Schedule are incorporated herein by reference as if the same had been set forth in full herein.

LESSOR: THE VAUGHN GROUP, LTD.

BY:



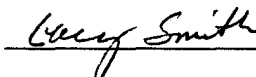
NAME: **John V. Handelsman**
President and CEO

ITS: _____

DATE: 3/21/97

LESSEE: THE ANDERSONS, INC.

BY:



NAME: GARY SMITH

ITS: V.P. FINANCE & TREAS.

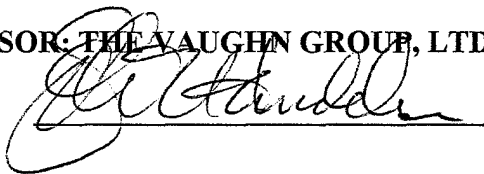
DATE: 3/20/97

CONFIRMATION

The parties hereby confirm that no covenant, condition or other term or provision hereof or of the Lease may be modified, and that no obligation or default hereunder or under the Lease may be waived, except in writing signed by both parties.

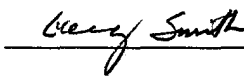
LESSOR: THE VAUGHN GROUP, LTD.

BY:



LESSEE: THE ANDERSONS, INC.

BY:



STATE OF Ohio)
COUNTY OF Butler) ss.:

On this 21st day of March, 1997 Kathy J. Voegelé, before me personally appeared John V. Handelsman, to me personally known, who being by me duly sworn, says that he is President and CEO of The Vaughn Group, Ltd., an Ohio limited liability company (the "Company"), that the foregoing instrument was signed on behalf of said Company by authority of its Board of Members and he acknowledges that the execution of the foregoing instrument was the free act and deed of said Company.

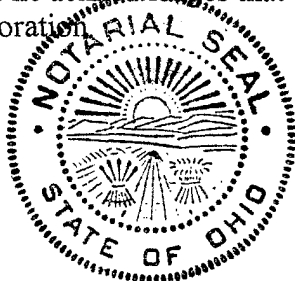
Kathy J. Voegelé
Notary Public

[Notarial Seal]

My Commission Expires:

STATE OF OHIO)
COUNTY OF LUCAS) ss.:

On this 20th day of MARCH, 1997 Julie Ann Dibble, before me personally appeared GARY Smith, to me personally known, who being by me duly sworn says that he is Vice President Finance & Treasury, of The Andersons, Inc., an Ohio (the "Corporation") that the foregoing instrument was signed on behalf of said Corporation by authority of its Board of Directors and he acknowledges that the execution of the foregoing instrument was the free act and deed of said Corporation.



Julie Ann Dibble
Notary Public

[Notarial Seal]

My Commission Expires:

JULIE ANN DIBBLE
Notary Public, State of Ohio
My Commission Expires 8-20-2000

**Addendum to Lease Schedule No. 003 to
Master Lease Agreement No. 114 dated
March 13, 1997 between The Vaughn Group, Ltd, as Lessor
and The Andersons, Inc., as Lessee**

Return of Units

At the expiration of this Lease, or at the direction of Lessor pursuant to Section 9 of the Lease, Lessee shall forthwith deliver possession of the units of Equipment to the Lessor. Each unit of Equipment returned to the Lessor pursuant to this Addendum and Section 10 of the Lease Schedule shall (i) be empty, free from residue, suitable for loading, and be in the same operating order, repair and condition as when originally delivered to the Lessee, including but not limited to fully operational outlet gates, reasonable wear and tear excepted, and (ii) be jointly inspected by representatives of Lessor and Lessee. If any unit of Equipment is not delivered to Lessor on or before the Expiration Date, or is so delivered, but not in compliance with Section 5 of the Lease and Sections 10 (if applicable), 11(b) and 14 of the Lease Schedule and this Addendum within thirty (30) calendar days after the Expiration Date, the Monthly Rental for such unit of Equipment shall, upon the expiration of such thirty (30) day period, be set at one and one-half times the Monthly Rental. Nothing in this Addendum shall be construed as Lessor's authorization of the Lessee's use of the units of Equipment, or any unit of Equipment, after the Expiration Date.

For the purpose of delivering possession of the units of Equipment to the Lessor as above required, Lessee shall, at its own cost, expense and risk: (a) place the units of Equipment upon such storage tracks of Lessee as may be mutually agreeable to Lessee and Lessor for marshaling and joint inspection; (b) permit Lessor to store such units of Equipment on such tracks free of charge to Lessor for thirty (30) calendar days after the Termination Date and at the sole risk of Lessor and not subject to the terms of this Lease, except for (c) and (d) as set forth in this Addendum, until such units of Equipment have been sold, leased or otherwise disposed of by Lessor, provided, however, that Lessor shall be entitled, at its sole risk, to continued storage of the unit of Equipment on such tracks beyond the free thirty (30) calendar days at a storage rate not to exceed \$2.00 per unit of Equipment, per day; (c) transport, one time, the units of Equipment to any place on the lines of Lessee or affiliates as directed by Lessor at no cost to Lessor; and (d) either prior to or after such movement(s) of the units of Equipment, restencil the units of Equipment, and apply new AEI tags, which obligation in this Addendum shall survive the Termination Date of this Lease. The assembly, delivery, first thirty (30) days storage and transporting of the units of Equipment as hereinbefore provided shall be at the cost, expense and risk of the Lessee and are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the matter, Lessor shall be entitled to a decree against Lessee requiring specific performance of the covenants of Lessee so to assemble, deliver, store and transport the units of Equipment. During any storage period, Lessee will permit Lessor or any person designated by it, including the authorized representative or designated by it, including the authorized representative of representatives of any prospective purchaser or lessee of the units of Equipment or unit of Equipment, to inspect the same during normal business hours and accompanied by a representative of Lessee.

AGREED AND ACKNOWLEDGED:

THE ANDERSONS, INC.

BY: Garry Smith

NAME: GARRY SMITH
(Please Type or Print)

ITS: V.P. Financ. & Trg.

DATE: 3/20/97

Said location being no more than 500 miles of warehouse

CSJ
JLB

DEC 31 1974

[illegible]



WOMAC COMPANY

Locomotive Consultants

15481 Hemlock • Monroe, Michigan 48181
(313) 281-0725 • 243-4050

MR. Ken Schmenk
Operating Manager
Metamora Grain Elevator

Subject: Locomotive 4704 Evaluation.

Modifications and Upgrades.

26-L Type Brake Equipment- \$10,000.00

Electric Power Contactors and Reversers \$8000.00

Electric Control Governor \$1,500.00

Traction Motors Upgraded from D-27 to D-77 Approximately \$10,000.00

Carbody in very good condition. (needs painted)

Complete annual inspection and 24 month air change. \$3,000.00

All wheels 2" or better surface metal.

Unit appears in good working condition.

Couplers meet FRA limits for wear.

Unit needs oil holding tanks: Cost \$500.00 to \$700.00

Governor needs balanced. Cost \$100.00

} NICK, THESE
WERE OUR RECOMMEN-
DATIONS FOR EPA AND
TO GEAR DOWN THE LOC

Sincerely,

WOMAC LOCOMOTIVE SERVICES.

FRED HAMMICK

CANAC INTERNATIONAL INC.
North American Sales and Services Division

LOCOMOTIVE CONDITION REPORT

Date of Inspection: 6/20/96

Unit I.D.: GP-9

Unit #: 4204

Builder: EMD

Present Location: KELLOGG PLANT-B, CREEK, MI

Date Built: 1960

Model: GP9

Owner Railroad: GRAND TRUNK

Last Air Brake Insp.:
(Attach a copy of AB Cab Form) 5/22/95

Miles Since New:

Max. Speed: 67 MPH

Miles Since #2:

Engine Speed: 835

Type of Last #2: 2RG

Engine type: 567C

Date of Last #2: 1/12/82

Governor type: WOODWARD PGR

Status: IN SERVICE

Truck type: EMD BASIC

Retired Date: 6/4/96

Lube Oil Analysis History:

Air Brakes: WESTINGHOUSE


Type: 26L

Wheel Condition: #1 38 1/2

#3 38 1/2

Sight measurement #2 37 1/4

#4 39

NOTE:
 LONG END IS FRONT

ELECTRICAL CIRCUIT ISOLATION TEST: (Megger readings)

MECHANICAL DEPARTMENT

BATTLE CREEK, MICHIGAN

LOCOMOTIVE MECHANICAL STATUS REPORT

UNIT 4784

COMPONENT

4784	MAIN ENGINE	74K21553	01/12/82	TRACTION HT. 1	378431	01/01/86
				TRACTION HT. 2	69H11148	02/25/82
	GENERATOR/ALT	57A104	01/12/82	TRACTION HT. 3	69H11148	01/12/97
				TRACTION HT. 4	91H4897	03/11/96
	AUX GENERATOR	7822358	01/12/82	TRACTION HT. 5		
				TRACTION HT. 6		

=====

MODIFICATIONS LOG

UNIT NUMBER	ID NUMBER	SHORT DESCRIPTION	LOCATION TO BE COMPLETED	TARGET DATE TO BE COMPLETED	DATE COMPLETE
	4784 2	CUTOFF COCK	ALL	02/25/80	01/01/82
	4784 4	ELECT SAND	BCHS, BC	06/30/87	01/12/82
	4784 11	SNOW PLOW	BCHS, BC, FR, PONTIAC	04/28/89	01/12/82
	4784 16	EMER SHUTDOWN	BCHS	01/01/91	01/12/82
	4784 26	STROBE LITE	BCHS, BC, FR, PONTIAC	06/30/88	01/01/88
	4784 36	COOL SYS PRS	BCHS, BC	01/30/88	
	4784 38	PULSE RECORD	BCHS, BC	01/01/91	
	4784 48	ELEC CAB HT	BCHS	01/01/91	
	4784 41	10KW AUX GEN	BCHS, BC, FR, PONTIAC	01/01/91	
	4784 43	5-RAN CAB	BCHS	01/01/91	04/01/84
	4784 47	T.B. CUTOFFS	BCHS, BC	12/31/88	
	4784 58	AUTO BRK VHT	BCHS, BC, FR, PONTIAC	07/28/88	08/02/88
	4784 54	REAR MIRRORS	BCHS, BC	12/31/87	08/02/88
	4784 61	BRAKE SHOES	ALL	01/01/90	
	4784 62	CLASS LIGHTS	ALL	03/09/90	03/17/90
	4784 63	CONDOR LIGHT	BCHS, BC	03/01/91	
	4784 64	CONDOR SPKR	BCHS	01/01/97	
	4784 67	NOVE HORNS	BCHS, BC	01/01/96	
	4784 69	SHYDER SYS.	ALL	12/01/91	12/12/91
	4784 78	TANK	BCHS	12/31/97	
	4784 88	AEI TANNING	BC	07/01/93	04/06/93
	4784 81	QTRON - 5188	BC	01/01/95	
	4784 83	60V BRACKET	BC	12/01/94	
	4784 84	CENTER AXLE	BC	12/01/94	

CLAY

DO TO ALL UNITS
DOESN'T INCLUDE OURS
GA8

CRANE SHIRT

01/01/86
03/26/82
01/12/77
03/11/96

TURBO CHARGER

ENGINE BLOWER RIGHT A7883

ENGINE BLOWER LEFT 62H15A

CRANKSHAFT	28709	01/12/82
AIR COMPRESSOR	169197863	01/12/82
GOVERNOR	381781	01/12/82

[illegible]

TARGET DATE TO BE COMPLETED	DATE COMPLETED	LOCATION	FILE NUMBER	LONG DESCRIPTION
02/25/88	01/01/82	SCREEK BCHS	668-802	PAINT & LABEL CUT-OUT COCKS
06/30/87	01/12/82	SCREEK BCHS	668-804	REMOVE AIR OPERATED EQUIPMENT AND REPLACE WITH ELECTRICAL
06/28/89	01/12/82	SCREEK BCHS	668-811	APPLY SNOW PLOW PILOTS TO ALL ROAD UNITS
01/01/91	01/12/82	SCREEK BCHS	668-816	INSTALL ELECTRIC EMERGENCY SHUT-DOWN & RELOCATE STARTER SWITCH
04/30/88	01/01/88	SCREEK BCHS	668-826	APPLY STROBE LIGHT TO ALL UNITS - OPERATE OFF SEPARATE SWITCH.
01/30/88			668-834	MAKE CLOSED PRESSURIZED SYSTEM WITH 12-LOB. CAP. FOR ROAD 4-120 - CAP. FOR SWITCHERS
01/01/91			668-838	REPLACE CHICAGO PNEUMATIC WITH PULSE EVENT RECORDER
01/01/91			668-849	REPLACE HOT WATER HEATERS WITH ELECTRIC
01/01/91			668-841	REPLACE 10 KW AUX. GENERATOR WITH 10 KW BC
01/01/91	04/01/86	SCREEK BCHS	668-843	APPLY ADDITIONAL 2-SEATS AND CLIPBOARD ETC.
12/31/88			668-847	INSTALL TRACTION MOTOR CUT-OUTS.
07/20/88	08/02/88	SCREEK MP	668-858	VENTS AIR UNDER CAB FLOOR FROM AUTOMATIC BRAKE VALVE.
12/31/87	04/02/88	SCREEK MP	668-854	INSTALL REARVIEW MIRRORS ON ALL ROAD LOCOMOTIVES
01/01/90			668-861	RENEW BRAKE HEADS AND SHOES ON 80-9 UNITS.
03/09/90	03/17/89	SCREEK MP	668-862	REMOVE EXISTING CLASS LIGHTS AND BLANK OFF HOLES.
03/01/91			668-865	INSTALL SWIVEL LIGHT ABOVE CONDUCTOR HEAD FOR BETTER LIGHTING ON ALL ROAD UNITS.
01/01/97			668-866	INSTALL CONDUCTOR RADIO HANDSET EXTENSION/SPEAKER
01/01/96			668-867	TO MOVE HORNS FROM SHORT HOOD TO LONG HOOD OF LOCOMOTIVES ON ALL HIGH HORSEPOWER 4400 SERIES LOCOMOTIVES
12/01/91	12/12/91	SCREEK MP	668-869	REMOVE THE HOUSTON FUELING SYSTEM AND REPLACE WITH THE SNYDER FUELING SYSTEM
12/31/97			668-878	POLLUTANTS COLLECTOR TANK
07/01/93	04/04/93	SCREEK MP	221-838	INSTALL (AED) TAGS ON LOCOMOTIVES
01/01/95			668-868	COMPUTERIZED 24 EVENT RECORDER - OTRON 3100 SERIES
12/01/94			668-108	APPLY BRACKET TO RIGHT REAR PILOT ON INTERNATIONAL UNITS
12/01/94			668-109	CENTER HYATT BOX MODIFICATION ON ALL 6 AXLE UNITS

ALL ENGINES, NOT OUES

UNIT	CU	PRIVATE LOGS	PC	12/01/94	
4704	26	BELL HOD.	BC	12/01/94	
4704	70	BACH-SIMPSON	BC	01/01/93	
4704	91	STRIP HEATER	BC	01/01/93	
4704	188	"94" WINTER	BCHS, BC, FR, PONTIAC	11/30/94	10/05/94
4704	181	HOT TANK	BC		
4704	103	OVERLAP DOOR	BC	12/01/93	
4704	104	FUEL TANK ON	BC		
4704	105	"95" WINTER	BC, FR, PONTIAC	01/15/96	

LEAD READINGS

UNIT NUMBER	LOCATION	DOOMETER	DATE TAKEN	1.	2.	3.	4.	5.	6.
4704	PONTIAC HP	8	04/04/88	833	851	848	840	844	854
4704	BCREEK HP	8	11/10/88	854-056	846-849	854-058	850-052	858-053	848-849
4704	BCREEK HP	38737	03/17/89	53 48	54 51	54 51	51 47	51 47	47 43
4704	BCREEK HP	71629	03/22/90	52 54	47 48	54 53	51 52	54 54	48 48
4704	BCREEK HP	788591	08/29/90	44-48	43-43	39-41	48-42	44-47	43-47
4704	FLATROCK HP	64810	09/18/90	853-859	849-861	843-852	856-861	848-847	845-849
4704	FLATROCK HP	918538	03/27/92	848-849	866-879	868-864	856-856	864-866	868-871

OVERHAUL STATUS LEONH9

UNIT	INIT	TYPE OF OVERHAUL
4704	AB	REBUILT & REV
4704	1A	REBUILT & REV

ON-LINE FAILURE REPORT (LAST 1 YEAR)

UNIT	TRAIN	LOCATION	DIV	SUB	HP	INCIDENT DATE	INCIDENT TYPE
STV 4704	437	FLAT ROCK	-	_____	_____	09/29/93	LOW VAC
STV 4704	438	CHARLOTTE	-	_____	_____	02/24/94	HOT EN
STV 4704		FLAT ROCK	-	_____	_____	07/11/94	OTHER ?
STV 4704	EBB	LIMA	-	_____	_____	11/04/94	BWD REL
STV 4704		FLAT ROCK	-	_____	_____	02/12/95	BATTERY
STV 4704	458	FLAT ROCK	-	_____	_____	01/07/95	BWD REL

INSPECTION HISTORY

P1	I1	P2	I2	P3	I3	P4	I4	P5	I5	P6	I6	P7
4704												
08/16/93	09/28/93	11/16/93	01/29/94	02/16/94		03/19/94	07/22/94	08/19/94	10/04/94	11/19/94	01/09/95	02/19/95
BCREEK	BCREEK	BCREEK	BCREEK	BCREEK		BCREEK	BCREEK	BCREEK	BCREEK	BCREEK	BCREEK	BCREEK

INSPECTION PROJECTIONS

UNIT	ASSIGNMENT	LOCATION	STATUS									
P1	I1	P2	I2	P3	I3	P4	I4	P5	I5	P6	I6	P7
4704	STV		YARD	L								
111596	123196	021597	040297	051097	070397	081097	100397	111097	010398	021099	040598	052198

.....

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115 116 117 118 119 120 121 122 123 124 125 126 127 128 129 130 131 132 133 134 135 136 137 138 139 140 141 142 143 144 145 146 147 148 149 150 151 152 153 154 155 156 157 158 159 160 161 162 163 164 165 166 167 168 169 170 171 172 173 174 175 176 177 178 179 180 181 182 183 184 185 186 187 188 189 190 191 192 193 194 195 196 197 198 199 200 201 202 203 204 205 206 207 208 209 210 211 212 213 214 215 216 217 218 219 220 221 222 223 224 225 226 227 228 229 230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245 246 247 248 249 250 251 252 253 254 255 256 257 258 259 260 261 262 263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282 283 284 285 286 287 288 289 290 291 292 293 294 295 296 297 298 299 300 301 302 303 304 305 306 307 308 309 310 311 312 313 314 315 316 317 318 319 320 321 322 323 324 325 326 327 328 329 330 331 332 333 334 335 336 337 338 339 340 341 342 343 344 345 346 347 348 349 350 351 352 353 354 355 356 357 358 359 360 361 362 363 364 365 366 367 368 369 370 371 372 373 374 375 376 377 378 379 380 381 382 383 384 385 386 387 388 389 390 391 392 393 394 395 396 397 398 399 400 401 402 403 404 405 406 407 408 409 410 411 412 413 414 415 416 417 418 419 420 421 422 423 424 425 426 427 428 429 430 431 432 433 434 435 436 437 438 439 440 441 442 443 444 445 446 447 448 449 450 451 452 453 454 455 456 457 458 459 460 461 462 463 464 465 466 467 468 469 470 471 472 473 474 475 476 477 478 479 480 481 482 483 484 485 486 487 488 489 490 491 492 493 494 495 496 497 498 499 500 501 502 503 504 505 506 507 508 509 510 511 512 513 514 515 516 517 518 519 520 521 522 523 524 525 526 527 528 529 530 531 532 533 534 535 536 537 538 539 540 541 542 543 544 545 546 547 548 549 550 551 552 553 554 555 556 557 558 559 560 561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610 611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678 679 680 681 682 683 684 685 686 687 688 689 690 691 692 693 694 695 696 697 698 699 700 701 702 703 704 705 706 707 708 709 710 711 712 713 714 715 716 717 718 719 720 721 722 723 724 725 726 727 728 729 730 731 732 733 734 735 736 737 738 739 740 741 742 743 744 745 746 747 748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763 764 765 766 767 768 769 770 771 772 773 774 775 776 777 778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814 815 816 817 818 819 820 821 822 823 824 825 826 827 828 829 830 831 832 833 834 835 836 837 838 839 840 841 842 843 844 845 846 847 848 849 850 851 852 853 854 855 856 857 858 859 860 861 862 863 864 865 866 867 868 869 870 871 872 873 874 875 876 877 878 879 880 881 882 883 884 885 886 887 888 889 890 891 892 893 894 895 896 897 898 899 900 901 902 903 904 905 906 907 908 909 910 911 912 913 914 915 916 917 918 919 920 921 922 923 924 925 926 927 928 929 930 931 932 933 934 935 936 937 938 939 940 941 942 943 944 945 946 947 948 949 950 951 952 953 954 955 956 957 958 959 960 961 962 963 964 965 966 967 968 969 970 971 972 973 974 975 976 977 978 979 980 981 982 983 984 985 986 987 988 989 990 991 992 993 994 995 996 997 998 999 1000 1001 1002 1003 1004 1005 1006 1007 1008 1009 1010 1011 1012 1013 1014 1015 1016 1017 1018 1019 1020 1021 1022 1023 1024 1025 1026 1027 1028 1029 1030 1031 1032 1033 1034 1035 1036 1037 1038 1039 1040 1

12345678910111213141516171819202122232425262728293031323334353637383940414243444546474849505152535455565758596061626364656667686970717273747576777879808182838485868788899091929394959697989910010110210310410510610710810911011111211311411511611711811912012112212312412512612712812913013113213313413513613713813914014114214314414514614714814915015115215315415515615715815916016116216316416516616716816917017117217317417517617717817918018118218318418518618718818919019119219319419519619719819920020120220320420520620720820921021121221321421521621721821922022122222322422522622722822923023123223323423523623723823924024124224324424524624724824925025125225325425525625725825926026126226326426526626726826927027127227327427527627727827928028128228328428528628728828929029129229329429529629729829930030130230330430530630730830931031131231331431531631731831932032132232332432532632732832933033133233333433533633733833934034134234334434534634734834935035135235335435535635735835936036136236336436536636736836937037137237337437537637737837938038138238338438538638738838939039139239339439539639739839940040140240340440540640740840941041141241341441541641741841942042142242342442542642742842943043143243343443543643743843944044144244344444544644744844945045145245345445545645745845946046146246346446546646746846947047147247347447547647747847948048148248348448548648748848949049149249349449549649749849950050150250350450550650750850951051151251351451551651751851952052152252352452552652752852953053153253353453553653753853954054154254354454554654754854955055155255355455555655755855956056156256356456556656756856957057157257357457557657757857958058158258358458558658758858959059159259359459559659759859960060160260360460560660760860961061161261361461561661761861962062162262362462562662762862963063163263363463563663763863964064164264364464564664764864965065165265365465565665765865966066166266366466566666766866967067167267367467567667767867968068168268368468568668768868969069169269369469569669769869970070170270370470570670770870971071171271371471571671771871972072172272372472572672772872973073173273373473573673773873974074174274374474574674774874975075175275375475575675775875976076176276376476576676776876977077177277377477577677777877978078178278378478578678778878979079179279379479579679779879980080180280380480580680780880981081181281381481581681781881982082182282382482582682782882983083183283383483583683783883984084184284384484584684784884985085185285385485585685785885986086186286386486586686786886987087187287387487587687787887988088188288388488588688788888989089189289389489589689789889990090190290390490590690790890991091191291391491591691791891992092192292392492592692792892993093193293393493593693793893994094194294394494594694794894995095195295395495595695795895996096196296396496596696796896997097197297397497597697797897998098198298398498598698798898999099199299399499599699799899910001001100210031004100510061007100810091010101110121013101410151016101710181019102010211022102310241025102610271028102910301031103210331034103510361037103810391040104110421043104410451046104710481049105010511052105310541055105610571058105910601061106210631064106510661067106810691070107110721073107410751076107710781079108010811082108310841085108610871088108910901091109210931094109510961097109810991100110111021103110411051106110711081109111011111112111311141115111611171118111911201121112211231124112511261127112811291130113111321133113411351136113711381139114011411142114311441145114611471148114911501151115211531154115511561157115811591160116111621163116411651166116711681169117011711172117311741175117611771178117911801181118211831184118511861187118811891190119111921193119411951196119711981199120012011202120312041205120612071208120912101211121212131214121512161217121812191220122112221223122412251226122712281229123012311232123312341235123612371238123912401241124212431244124512461247124812491250125112521253125412551256125712581259126012611262126312641265126612671268126912701271127212731274127512761277127812791280128112821283128412851286128712881289129012911292129312941295129612971298129913001

[illegible]

SECRET

NUMBER	INIT	LOCATION	DRIFT	DATE	TIME	WINDSPEED	FUEL	WAVE	SPEED IMP.
4704	STV	DCREEK NP	2	05/25/96	0	0	1359		
4704	STV	DCREEK NP	3	05/29/96	0	0	300		
4704	STV	DCREEK NP	2	06/03/96	0	0	136		

LOG ON DTIME CATCH LIST

5
→

NUMBER	INIT	IDNO	SUPV	REB'T	REASON	DESCRIPTION	TARGET DATE TO COMPLETE
4704	STV	6964	RT		REPORT	RADIATORS LEAKING	
4704	STV	1027	CLS		SERVICE	RIGHT REAR RADIATOR LEAKS, HOUSTON FUEL RIGHT SIDE DEFECTIVE, ENROUTE TO DC	← 6
4704	STV	5195	JFH		FAILURE	LOADING PROBLEM	
4704	STV	7327	CB		REPAIR	GROUND RELAYS	
4704	STV	8397	JHB		I-11 INSPECTION	I-11 INSPECTION	
4704	STV	8482	QNT		REPAIR	NO LOAD	04/13/93
4704	STV	8486	JHB		ENGINEER REPORT	GROUND RELAY	
4704	STV	8592	JHB		FAILURE	BAD ORDER REVERSE	
4704	STV	8671	JHB		FAILURE	NOT LOADING PROPERLY/ELBOW MISSING AT FUEL PUMP DO NOT TRY TO START	
4704	STV	8696	JHB		FAILURE	PCR RELAY NO GOOD	
4704	STV	9316	JHB		FAILURE	NO POWER- DEAD BATTERIES- MISSING FUEL PUMP MOTOR	
4704	STV	9732	JHB		FAILURE	RUNNING HOT	
4704	STV	9772	JHB		DEFECTS	ENGINEER COMPLAINTS	
4704	STV	9799	SNV			DEAD, GROUND RELAYS	
4704	STV	9823	SNV			WILL NOT LOAD IN REVERSE RVRS IS B/O	

1359

380

126

06/12/96

06/13/96

06/13/96

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AKS, HOUSTON FUEL
ENROUTE TO BC

TARGET DATE TO COMPLETE	DATE REQUEST DATE COMPLETE	LOCATIONS TO DO WORK LOCATION COMPLETED	REMARKS
	01/03/89	BCMP	HELD FOR REPAIR
	01/04/89	BCREEK MP	
	01/13/89	BC	REPAIR DONE ALL
	01/15/89	BCREEK MP	
	04/24/89	ALL	ARRIVED BC
	04/26/89	BCREEK MP	
	06/12/90	BC MP	REPAIRED
	06/16/90	FLATROCK MP	
	04/06/93	BATTLE CREEK	
	04/08/93	BCREEK MP	
06/13/93	06/11/93	BATTLE CREEK	HELD
	06/20/93	BCREEK MP	
	06/12/93	BATTLE CREEK	HELD
	06/20/93	BCREEK MP	
	07/29/93	BATTLE CREEK	
	08/04/93	BCREEK	
	09/23/93	BATTLE CREEK	REPAIRED
	09/26/93	BCREEK MP	
	10/09/93	FLAT ROCK MP	RENEW FOR RELAY
	10/10/93	FLATROCK MP	
	01/31/94	BATTLE CREEK	REPAIRED
	02/06/94	BCREEK MP	
	05/20/95	BATTLE CREEK	
	05/22/95	BCREEK	
	07/07/95	BATTLE CREEK	
	07/09/95	bcreek	
	09/08/95	BATTLE CREEK	
	09/23/95	BCREEK	
	11/01/95	FLINT, BC	
	11/12/95	BCREEK	

LOW MISSING AT
START

EG- MISSING FUEL

SE

AGREED AND ACKNOWLEDGED:
The Andersons, Inc.

By: Gary Smith

Date: 3/20/97

Exhibit B
Casualty Schedule

3/14/97 @ 9:57am
File Name: ANDER3

Lessor: The Vaughn Group, Ltd.
Lessee: The Andersons, Inc.

Per	Date	Dollar Amt	% of Cost	% of Rent	Per	Date	Dollar Amt	% of Cost	% of Rent
---	-----	-----	-----	-----	---	-----	-----	-----	-----
1	4/30/97	76,253.52	105.9077	126.2559	37	4/30/ 0	63,157.34	87.7185	104.5721
2	5/31/97	75,959.47	105.4993	125.7690	38	5/31/ 0	62,722.87	87.1151	103.8527
3	6/30/97	75,660.42	105.0839	125.2739	39	6/30/ 0	62,285.09	86.5071	103.1278
4	7/31/97	75,358.78	104.6650	124.7745	40	7/31/ 0	61,844.29	85.8948	102.3980
5	8/31/97	75,054.53	104.2424	124.2707	41	8/31/ 0	61,400.46	85.2784	101.6631
6	9/30/97	74,745.27	103.8129	123.7586	42	9/30/ 0	60,953.28	84.6573	100.9227
7	10/31/97	74,433.37	103.3797	123.2422	43	10/31/ 0	60,503.06	84.0320	100.1773
8	11/30/97	74,118.84	102.9428	122.7214	44	11/30/ 0	60,049.78	83.4025	99.4268
9	12/31/97	73,799.27	102.4990	122.1923	45	12/31/ 0	59,593.14	82.7682	98.6707
10	1/31/98	73,477.03	102.0514	121.6588	46	1/31/ 1	59,133.41	82.1297	97.9095
11	2/28/98	73,152.13	101.6002	121.1208	47	2/28/ 1	58,670.60	81.4869	97.1432
12	3/31/98	72,824.56	101.1452	120.5784	48	3/31/ 1	58,204.69	80.8398	96.3718
13	4/30/98	72,488.70	100.6788	120.0224	49	4/30/ 1	57,736.91	80.1902	95.5972
14	5/31/98	72,150.14	100.2085	119.4618	50	5/31/ 1	57,266.03	79.5362	94.8176
15	6/30/98	71,803.27	99.7268	118.8875	51	6/30/ 1	56,793.27	78.8795	94.0348
16	7/31/98	71,453.65	99.2412	118.3086	52	7/31/ 1	56,317.37	78.2186	93.2469
17	8/31/98	71,101.29	98.7518	117.7252	53	8/31/ 1	55,838.35	77.5533	92.4537
18	9/30/98	70,740.58	98.2508	117.1279	54	9/30/ 1	55,357.41	76.8853	91.6574
19	10/31/98	70,377.09	97.7460	116.5261	55	10/31/ 1	54,873.33	76.2130	90.8559
20	11/30/98	70,010.81	97.2372	115.9196	56	11/30/ 1	54,386.08	75.5362	90.0491
21	12/31/98	69,636.15	96.7169	115.2993	57	12/31/ 1	53,896.90	74.8568	89.2392
22	1/31/99	69,258.67	96.1926	114.6743	58	1/31/ 2	53,404.55	74.1730	88.4240
23	2/28/99	68,878.34	95.6644	114.0445	59	2/28/ 2	52,909.01	73.4847	87.6035
24	3/31/99	68,495.17	95.1322	113.4101	60	3/31/ 2	52,410.27	72.7920	86.7777
25	4/30/99	68,106.66	94.5926	112.7668	61	4/30/ 2	51,909.56	72.0966	85.9487
26	5/31/99	67,715.27	94.0490	112.1188	62	5/31/ 2	51,405.64	71.3967	85.1143
27	6/30/99	67,318.52	93.4979	111.4619	63	6/30/ 2	50,899.74	70.6941	84.2767
28	7/31/99	66,918.87	92.9429	110.8002	64	7/31/ 2	50,390.60	69.9869	83.4337
29	8/31/99	66,516.31	92.3838	110.1336	65	8/31/ 2	49,878.23	69.2753	82.5853
30	9/30/99	66,108.36	91.8172	109.4582	66	9/30/ 2	49,363.84	68.5609	81.7336
31	10/31/99	65,697.47	91.2465	108.7778	67	10/31/ 2	48,846.20	67.8420	80.8766
32	11/30/99	65,283.65	90.6717	108.0927	68	11/30/ 2	48,325.30	67.1185	80.0141
33	12/31/99	64,864.39	90.0894	107.3985	69	12/31/ 2	47,802.36	66.3922	79.1482
34	1/31/ 0	64,442.17	89.5030	106.6994	70	1/31/ 3	47,276.13	65.6613	78.2769
35	2/29/ 0	64,016.98	88.9125	105.9954	71	2/28/ 3	46,746.62	64.9259	77.4002
36	3/31/ 0	63,588.81	88.3178	105.2865	72	3/31/ 3	46,213.81	64.1858	76.5180

Note: The date reflects the LAST DAY the Casualty amount is valid.
Percentage of Rent reflects percentage of Gross Rentals (\$60,396.00).

Casualty Schedule

3/14/97 @ 9:57am
File Name: ANDER3

Lessor: The Vaughn Group, Ltd.

Lessee: The Andersons, Inc.

Per	Date	Dollar Amt	% of Cost	% of Rent
73	4/30/ 3	45,678.91	63.4429	75.6323
74	5/31/ 3	45,140.70	62.6954	74.7412
75	6/30/ 3	44,600.39	61.9450	73.8466
76	7/31/ 3	44,056.75	61.1899	72.9465
77	8/31/ 3	43,509.77	60.4302	72.0408
78	9/30/ 3	42,960.66	59.6676	71.1316
79	10/31/ 3	42,408.19	58.9003	70.2169
80	11/30/ 3	41,852.35	58.1283	69.2966
81	12/31/ 3	41,294.35	57.3533	68.3727
82	1/31/ 4	40,732.96	56.5736	67.4431
83	2/29/ 4	40,168.19	55.7891	66.5080
84	3/31/ 4	39,600.00	55.0000	65.5673

Note: The date reflects the LAST DAY the Casualty amount is valid.

Percentage of Rent reflects percentage of Gross Rentals (\$60,396.00).

AGREED AND ACKNOWLEDGED:

The Andersons, Inc.

By: Barry SmithDate: 3/20/97

Exhibit C
Schedule of Stipulated Loss Values
in the Event of Default

3/14/97 @ 9:58am
File Name: ANDER3B

Lessor: The Vaughn Group, Ltd.
Lessee: The Andersons, Inc.

Per	Date	Dollar Amt	% of Cost	% of Rent	Per	Date	Dollar Amt	% of Cost	% of Rent
1	4/30/97	79,863.59	110.9217	132.2332	37	4/30/ 0	68,638.52	95.3313	113.6475
2	5/31/97	79,624.46	110.5895	131.8373	38	5/31/ 0	68,251.23	94.7934	113.0062
3	6/30/97	79,380.30	110.2504	131.4330	39	6/30/ 0	67,860.26	94.2504	112.3589
4	7/31/97	79,133.38	109.9075	131.0242	40	7/31/ 0	67,465.89	93.7026	111.7059
5	8/31/97	78,883.69	109.5607	130.6108	41	8/31/ 0	67,068.12	93.1502	111.0473
6	9/30/97	78,628.92	109.2068	130.1890	42	9/30/ 0	66,666.62	92.5925	110.3825
7	10/31/97	78,371.35	108.8491	129.7625	43	10/31/ 0	66,261.68	92.0301	109.7120
8	11/30/97	78,110.97	108.4875	129.3314	44	11/30/ 0	65,853.28	91.4629	109.0358
9	12/31/97	77,845.45	108.1187	128.8917	45	12/31/ 0	65,441.11	90.8904	108.3534
10	1/31/98	77,577.09	107.7460	128.4474	46	1/31/ 1	65,025.45	90.3131	107.6652
11	2/28/98	77,305.87	107.3693	127.9983	47	2/28/ 1	64,606.29	89.7310	106.9711
12	3/31/98	77,031.77	106.9886	127.5445	48	3/31/ 1	64,183.61	89.1439	106.2713
13	4/30/98	76,749.41	106.5964	127.0770	49	4/30/ 1	63,758.61	88.5536	105.5676
14	5/31/98	76,464.13	106.2002	126.6046	50	5/31/ 1	63,330.06	87.9584	104.8580
15	6/30/98	76,170.55	105.7924	126.1185	51	6/30/ 1	62,899.17	87.3600	104.1446
16	7/31/98	75,873.99	105.3805	125.6275	52	7/31/ 1	62,464.71	86.7565	103.4252
17	8/31/98	75,574.45	104.9645	125.1315	53	8/31/ 1	62,026.66	86.1481	102.7000
18	9/30/98	75,266.54	104.5369	124.6217	54	9/30/ 1	61,586.23	85.5364	101.9707
19	10/31/98	74,955.60	104.1050	124.1069	55	10/31/ 1	61,142.18	84.9197	101.2355
20	11/30/98	74,641.60	103.6689	123.5870	56	11/30/ 1	60,694.51	84.2979	100.4943
21	12/31/98	74,319.18	103.2211	123.0532	57	12/31/ 1	60,244.40	83.6728	99.7490
22	1/31/99	73,993.66	102.7690	122.5142	58	1/31/ 2	59,790.65	83.0426	98.9977
23	2/28/99	73,665.03	102.3125	121.9700	59	2/28/ 2	59,333.22	82.4072	98.2403
24	3/31/99	73,333.27	101.8518	121.4207	60	3/31/ 2	58,872.10	81.7668	97.4768
25	4/30/99	72,995.97	101.3833	120.8623	61	4/30/ 2	58,408.49	81.1229	96.7092
26	5/31/99	72,655.50	100.9104	120.2985	62	5/31/ 2	57,941.17	80.4739	95.9355
27	6/30/99	72,309.45	100.4298	119.7256	63	6/30/ 2	57,471.34	79.8213	95.1575
28	7/31/99	71,960.19	99.9447	119.1473	64	7/31/ 2	56,997.77	79.1636	94.3734
29	8/31/99	71,607.72	99.4552	118.5637	65	8/31/ 2	56,520.44	78.5006	93.5831
30	9/30/99	71,249.62	98.9578	117.9708	66	9/30/ 2	56,040.55	77.8341	92.7885
31	10/31/99	70,888.26	98.4559	117.3724	67	10/31/ 2	55,556.88	77.1623	91.9877
32	11/30/99	70,523.63	97.9495	116.7687	68	11/30/ 2	55,069.40	76.4853	91.1805
33	12/31/99	70,153.31	97.4352	116.1556	69	12/31/ 2	54,579.33	75.8046	90.3691
34	1/31/ 0	69,779.68	96.9162	115.5369	70	1/31/ 3	54,085.42	75.1186	89.5513
35	2/29/ 0	69,402.74	96.3927	114.9128	71	2/28/ 3	53,587.67	74.4273	88.7272
36	3/31/ 0	69,022.45	95.8645	114.2831	72	3/31/ 3	53,086.05	73.7306	87.8966

Note: The date reflects the LAST DAY the Casualty amount is valid.

Percentage of Rent reflects percentage of Gross Rentals (\$60,396.00).

Lessor: The Vaughn Group, Ltd.
Lessee: The Andersons, Inc.

Per	Date	Dollar Amt	% of Cost	% of Rent
73	4/30/ 3	52,581.77	73.0302	87.0617
74	5/31/ 3	52,073.60	72.3244	86.2203
75	6/30/ 3	51,562.74	71.6149	85.3744
76	7/31/ 3	51,047.95	70.8999	84.5221
77	8/31/ 3	50,529.23	70.1795	83.6632
78	9/30/ 3	50,007.77	69.4552	82.7998
79	10/31/ 3	49,482.35	68.7255	81.9298
80	11/30/ 3	48,952.93	67.9902	81.0533
81	12/31/ 3	48,420.74	67.2510	80.1721
82	1/31/ 4	47,884.53	66.5063	79.2843
83	2/29/ 4	47,344.29	65.7560	78.3898
84	3/31/ 4	46,800.00	65.0000	77.4886

Note: The date reflects the LAST DAY the Casualty amount is valid.
Percentage of Rent reflects percentage of Gross Rentals (\$60,396.00).

AGREED AND ACKNOWLEDGED:
The Andersons, Inc.

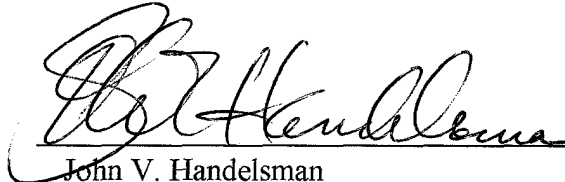
By: Barry Smith

Date: 3/20/97


CERTIFICATION

Personally appearing before me, the undersigned notary public, John V. Handelsman, being duly sworn, deposes and says upon oath as follows:

1. That he is a Member of The Vaughn Group, Ltd., an Ohio limited liability company, created and existing under the laws of the State of Ohio (the "Company"), that this affidavit is given upon his personal knowledge, and that the facts herein stated are true; and
2. That as a Member of the Company he is authorized to act on behalf of the Company; and
3. That attached hereto is a true and correct copy of Lease Schedule No. 003 to Master Lease Agreement No. 114 dated March 13, 1997 (the "Lease") between the Company, as lessor and The Andersons, Inc., as lessee (the "Lessee") and all related documents and any and all amendments thereto, collectively the agreements ("Agreements"); and
4. That said Agreements are in full force and effect, and there have been no amendments or modifications of said articles or Agreements except for such amendment or modification as are attached hereto.


John V. Handelsman

Sworn to and subscribed before me this 16th day of April, 1997.


Notary Public

KATHY J. VOEGELE
Notary Public, State of Ohio
My Commission Expires Aug. 16, 2000

